



# County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.co.la.ca.us>

DAVID E. JANSSEN  
Chief Administrative Officer

July 5, 2006

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **APPROVE A CONTRACT WITH THE CALIFORNIA DEPARTMENT OF EDUCATION (ALL DISTRICTS) (3-VOTES)**

### **JOINT RECOMMENDATION WITH THE CHILD CARE PLANNING COMMITTEE THAT YOUR BOARD:**

1. Approve and instruct the Mayor to sign the attached contract with the California Department of Education/Child Development Division (CDE/CDD). This contract funds the Investing in Early Educators Program from June 1, 2006 to June 30, 2007 in the amount of \$4,250,000. The Office of Child Care, within the Service Integration Branch of the Chief Administrative Office, manages this contract on behalf of the Child Care Planning Committee (Planning Committee) and operates the Investing in Early Educators Program to retain an educated and qualified child care workforce in both CDE/CDD subsidized child development centers and in family child care homes and centers serving state-subsidized children.
2. Adopt the attached resolution to authorize the Chief Administrative Officer, or his designee, to prepare and execute amendments as may be deemed necessary to implement this contract.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

This is a renewal contract with CDE/CDD which supports the Planning Committee's Investing in Early Educators Program. This Program provides stipends to qualified persons working in CDE/CDD-funded child development centers for the purpose of boosting the retention of qualified teachers. Beginning in 2006, the Program was able to extend services to teachers in non-CDE/CDD-funded centers serving a majority of state-subsidized children, and family child care providers in CDE/CDD-funded networks or serving a majority of state-subsidized children.

The Investing in Early Educators Program has been operating since September 2001, when your Board approved the original contract.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

Formal approval of this contract by your Board is required to receive the funds from CDE/CDD to continue operating the Investing in Early Educators Program.

Participation in the Investing in Early Educators Program has grown significantly. During fiscal year 2005-06, the Office of Child Care processed approximately 2,600 stipend requests. With the approval of the new contract, another stipend cycle (Cycle 8) will be offered.

A formal evaluation of the Investing in Early Educators Program was conducted in 2005. This evaluation focused on participants in the early stipend cycles. Participants were contacted through telephone one to two years after applying to the Investing in Early Educators Program. The evaluation results revealed that the stipend program has served as an incentive for child development teachers and assistants to return to, or to continue their education at the college level. The evaluation also demonstrated that the stipends had a positive impact on the retention of teachers in CDE/CDD-funded programs.

#### **Strategic Asset Management Principles Compliance**

The Investing in Early Educators Program supports the County's strategic goals related to service excellence, organizational effectiveness, and children and families' well-being. The stipend component of this Program is designed to address the quality of child care services by reducing teacher turnover in CDE/CDD-funded child development centers, while also promoting continuing education.

#### **FISCAL IMPACT/FINANCING**

Approval of the attached contract will provide \$4,250,000 from CDE/CDD. Funding is included in the Chief Administrative Office Fiscal Year 2006-07 Proposed Budget.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

AB 212 was introduced in 1999 by Assembly Member Dion Aroner, to improve the quality of child care by addressing the low salaries and high turnover rates in CDE/CDD-funded child development programs. The Investing in Early Educators Program was launched in fiscal year 2001-02. This contract will support and expand the Program into its sixth year of operation.

The County of Los Angeles successfully sponsored legislation (AB 1285) which granted a waiver to the Los Angeles County Investing in Early Educators Program, allowing the Program to include: 1) teachers in non-CDE/CDD-funded centers which serve a majority of state-subsidized children; and 2) family child care providers who are part of a CDE/CDD-funded network or who serve a majority of state-subsidized children. This waiver will continue through the new contract period (2006-07) and will allow the Program to facilitate higher educational attainment by a greater portion of the early childhood workforce.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

During the period between September 2001, and June 30, 2006, the Investing in Early Educators Program has awarded over 5,000 stipends, totaling over \$11 million, to persons working in child development programs throughout Los Angeles County.

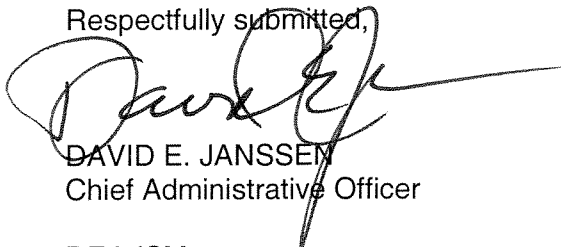
In addition, the Investing in Early Educators Program has:

- Trained over 100 child development program administrators in the use of the Early Childhood Environment Rating Scale. This instrument is one of the most frequently used tools to assess child development program quality.
- Updated and distributed the publication, "Career Options in Child Development," to over 4,000 participants in the Investing in Early Educators Program, as well as local community colleges and universities.
- Initiated a Cycle in early 2006 which included approximately 800 new applicants who are staff of non-CDE/CDD-funded centers and family child care providers serving a majority of state-subsidized children.
- Issued graduation stipends to approximately 250 participants who earned their Associate, Bachelor, or Master degrees in 2005-2006.

**CONCLUSION**

Upon approval by your Board, my Office respectfully requests that your staff provides two (2) original signatures of the contract, two (2) original signatures of the resolution, and one (1) adopted copy of the Board letter to the Chief Administrative Office, Service Integration Branch, Office of Child Care, 222 South Hill Street, 5<sup>th</sup> Floor, Los Angeles, CA 90012. Copies will be forwarded to CDE, as required.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Administrative Officer

DEJ:JSM  
LS:KMS:RR:aa

Attachments (2)

c: County Counsel  
Auditor-Controller



PEGGY SISSON  
Chair, Child Care Planning Committee



CALIFORNIA  
DEPARTMENT OF  
EDUCATION

1430 N STREET  
SACRAMENTO, CA  
95814-5901

**JACK O'CONNELL**

State Superintendent of  
Public Instruction

PHONE: (916) 319-0800

**Attention: EXECUTIVE DIRECTORS,  
CHILD DEVELOPMENT PROGRAMS**

**2005/2006 CHILD DEVELOPMENT  
CONTRACT/AMENDMENT**

## **DO NOT REMOVE ANY PAGES STAPLED TO THE CONTRACT FACESHEET**

1. X Submitted for your approval are two (2) copies of the 2005/2006 contract/amendment. Please **SIGN** both copies and insert the current **MAILING ADDRESS** in the **Contractor's signature box**, and **RETURN BOTH COPIES** of the contract to the Contracts Office. When final approval is obtained, an approved copy will be mailed to you.
2. X Please attach two (2) copies (with at least one set of original signatures) of a resolution by the local governing body which approves the contract and names the official who is authorized to sign it on their behalf. (A sample for your use is attached.) County Superintendents of Schools who find exception with the resolution requirement should contact Sandy Shongood at (916) 323-5890 or by e-mail at shongood@cde.ca.gov.
3.      Enclosed for your records is one fully executed copy of the contract.

Sincerely,

  
Doris Morris, Assistant Manager  
Contracts Office  
(916) 322-3050

Dm:ss  
Enclosures

### **PLEASE RETURN ALL COPIES TO:**

**ATTENTION: Contracts Office  
California Department of Education  
1430 "N" Street, Suite #2213  
Sacramento, CA 95814-5901**

**CALIFORNIA DEPARTMENT OF EDUCATION**

1430 N Street

Sacramento, CA 95814-5901

**F.Y. 05-06 thru 06-07****DATE:** June 01, 2006**CONTRACT NUMBER:** CRET-5017**PROGRAM TYPE:** CC SALARY/RETENTION  
INCENTIVE**PROJECT NUMBER:** 19-P999-00-5**LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES****Thirteen (13) Month Contract****CONTRACTOR'S NAME:** LOS ANGELES COUNTY BOARD OF SUPERVISORS

By signing this contract and returning it to the State, you are agreeing to provide services in accordance with the CHILD CARE AND DEVELOPMENT FUND - PROGRAM REQUIREMENTS FOR CHILD CARE SALARY/RETENTION INCENTIVE PROGRAM (Exhibit B), the attached APPLICATION, and the APPROVED COUNTY PLAN (Attachment C) which are by this reference incorporated into this contract. The Guidelines specify the contractual responsibilities of the State and the contractor. The Contractor's signature also certifies compliance with "Standard Provisions for State Contracts" (Exhibit A) which are attached hereto and by this reference incorporated herein.

Funding of this contract is contingent upon appropriation and availability of funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract. This contract is effective from June 1, 2006 through June 30, 2007. These funds shall not be used for any purpose considered nonreimbursable pursuant to the current Funding Terms and Conditions (FT&C) and Title 5, California Code of Regulations. The total amount payable pursuant to this agreement shall not exceed \$4,250,000.00.

Expenditure of these funds shall be reported quarterly to Child Development Fiscal Services (CDFS) on Form CDFS-9529 with fiscal quarters ending September 30th, December 31st, March 31st, and June 30th. Quarterly reporting must be submitted for reimbursement of expenditures. For non-educational agencies, expenditures made for the period June 1, 2006 through June 30, 2006 shall be included in their 2005/06 audit due by the 15th day of the fifth month following the end of the contractor's fiscal year or earlier if specified by the CDE. Expenditures for the period July 1, 2006 through June 30, 2007 shall be included in the 2006/07 audit due by the 15th of the fifth month following the end of the contractor's fiscal year or earlier if specified by the CDE. The audits for School Districts and County Offices shall be submitted in accordance with Education Code Section 41020.

Any provision of this contract found to be in violation of Federal or State statute or regulation shall be invalid but such a finding shall not affect the remaining provisions of this contract.

Exhibit A, Standard Provisions for State Contracts attached.

**APPROVED AS TO FORM:****BY:****RAYMOND G. FORTNER, JR.**Sr. Assoc  
County  
Counsel

<b>STATE OF CALIFORNIA</b>		<b>CONTRACTOR</b>	
BY (AUTHORIZED SIGNATURE)		BY (AUTHORIZED SIGNATURE)	
PRINTED NAME OF PERSON SIGNING Sharon Taylor		PRINTED NAME AND TITLE OF PERSON SIGNING 6/16/06	
TITLE Manager-Contracts CD+NS Fiscal Svcs		ADDRESS	
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 4,250,000	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE General
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ 0	(OPTIONAL USE) 0656 24151-P999		
TOTAL AMOUNT ENCUMBERED TO DATE \$ 4,250,000	ITEM 30.10.020.901 6100-196-0001	CHAPTER 038	STATUTE 2005
	FISCAL YEAR 2005-2006		
OBJECT OF EXPENDITURE (CODE AND TITLE) 702 SACS: Res-5035 Rev-8590			
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.	B.R. NO.
SIGNATURE OF ACCOUNTING OFFICER		DATE	

Department of General Services  
use only

## STANDARD PROVISIONS FOR STATE CONTRACTS

1. The Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
2. Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
3. The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.
4. This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
5. Time is of the essence in this Agreement.
6. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties hereto and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
7. The consideration to be paid to Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.
8. Contractors entering into an Agreement funded wholly or in part with funds from the United States Government agree to amendments in funding to reflect any reductions in funds if the Congress does not appropriate sufficient funds. In addition, the Agreement is subject to any restrictions, limitations or enactments of Congress which affect the provisions, terms or funding of this agreement in any manner. The State shall have the option to terminate the Agreement without cost to the State in the event that Congress does not appropriate funds or a United States agency withholds or fails to allocate funds.

### Contractor Certification Clauses

**NON-DISCRIMINATION CLAUSE:** During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement. (Not applicable to public entities.)

**DRUG-FREE WORKPLACE CERTIFICATION:** By signing this contract, the contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
  - 1) the dangers of drug abuse in the workplace;

- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed contract will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the contract.

Failure to comply with these requirements may result in suspension of payments under this agreement or termination of this agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: (1) the Contractor has made false certification, or (2) violated the certification by failing to carry out the requirements as noted above. (GC 8350 et seq.)

**NATIONAL LABOR RELATIONS BOARD CERTIFICATION:** Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (PCC 10296) (Not applicable to public entities.)

**UNION ORGANIZING:** Contractor hereby certifies that no request for reimbursement, or payment under this agreement, will seek reimbursement for costs incurred to assist, promote or deter union organizing.

**SWEATFREE CODE OF CONDUCT:**

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

**DOMESTIC PARTNERS:** Commencing on July 1, 2004, for any agreement in excess of \$100,000, Contractor certifies that it is in compliance with Public Contract Code Section 10295.3 with regard to benefits for domestic partners. For any contracts executed or amended, bid packages advertised or made available, or sealed bids received on or after July 1, 2004 and prior to January 1, 2007, a contractor may require an employee to pay the costs of providing additional benefits that are offered to comply with PCC 10295.3.

## Staff Retention Plan for State Subsidized Center Based Programs (AB 212)\*

Description: The staff retention program was developed to assist counties in improving the retention of qualified employees who work directly with children who receive state subsidized child care services.\* In Los Angeles County eligible applicants also include staff in centers serving a majority of state subsidized children; Family Child Care providers in FCC Home Education Networks; Family Child Care providers serving a majority of state-subsidized children.

**Return To:** Child Development Division/CDE  
Linda M. Parfitt  
1430 N Street, Suite 3410  
Sacramento, CA 95814

### APPLICANT ORGANIZATION INFORMATION

County  
**Los Angeles**

Legal Entity for this County's Local Planning Council:  
**Los Angeles County Board of Supervisors**

Agency  
Contact: **Laura Escobedo**

Title: **Chief Program Specialist/Office of Child Care**

Address: **222 South Hill Street 5<sup>th</sup> floor**

City: **Los Angeles** Zip **90012**

Phone: **213 974-4102**

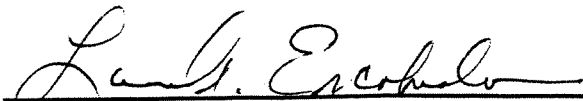
Fax: **213 217-5106**

**COPY**

### CERTIFICATION

The funding requested herein is to supplement, not supplant, existing efforts and investments to retain qualified child care staff at the local level. The funding associated with this request shall be allocated to retain qualified child care employees who work directly with children who receive subsidized care in State- subsidized, center-based programs.

I certify under penalty of perjury that: I am the Local Planning Coordinator or other authorized representative for this County; I have read the full content of the Guidelines for this funding; and to the best of my knowledge and belief, the information in this application and in any attachments hereto are true and correct.



March 8, 2006

Signature, LPC Coordinator (or authorized representative)

Date

Laura A. Escobedo, Chief Program Specialist

Typed Name and Title

### CDD USE ONLY

Application meets AB 212 Guideline Requirements

**YES**

NO



**Section I – Introduction**

During the 2004-05 legislative session, AB 1285 was introduced and passed by the legislature. This legislation allowed Los Angeles County to expand the population eligible to participate in the CDE-funded Staff Retention Program. The legislation was chaptered on October 7, 2005. As of this date, the Los Angeles County Plan can include family child care providers and teaching staff from programs which serve a majority of children subsidized through CDE-funded Alternative payment agencies. In recognition of this the Investing in Early Educators Retention Plan (2006-07) includes the following components:

1. **Stipends** will be provided as incentives for early childhood educators at various professional levels, including Home Education Network providers and providers and teachers, working in programs that do not have a direct contract with CDE, who are serving a majority of children subsidized through CDE-funded Alternative Payment agencies. In addition, graduation stipends will be given to applicants who have completed coursework for a B.A. degree within the application cycle. Teaching staff in CDE-funded programs will continue to have first priority for stipends.
2. **Training** for supervisory/management-level staff of CDE-funded programs and Family Child Care Home Education Network, and management staff of programs serving a majority of children subsidized through CDE-funded Alternative Payment programs will enhance the capacity of program managers to plan, implement, and support policies and practices related to staff retention and high quality programs. Among the training options being considered are: use of Environment Rating Scales; Developing professional development plans for staff; training in use of the Program Administration Scale.
3. **Information and Technical Assistance** in the form of *Early Childhood Careers* information packets which will be distributed to stipend applicants, Professional Growth Advisors, and college instructors and child development program managers. Investing in Early Educators stipend program information will include information on applying for the various child development permits through the Commission on Teacher Credentialing. Stipend Program participants will complete Educational Goals Plans, and academic counseling will be available on a limited basis for applicants through the Office of Child Care. Entry level teachers and providers will be encouraged to obtain their permits.
4. **Data Collection and Policy Development** will include an evaluation of the stipend program through Cycle 6, and data collected from stipend applicants about their education, permit levels, and compensation. Analysis of the data will result in policy recommendations for workforce development in Los Angeles County.
5. **The Los Angeles County Model Compensation Scale** will be disseminated through a variety of venues to encourage appropriate compensation for a qualified workforce.
6. **Collaboration with workforce initiatives** such as those planned by Los Angeles Universal Preschool and First Five LA.
7. **Collaboration with Community Colleges** to promote enrollment in community-based courses, facilitation of additional, accessible child development courses, and other supports such as tutoring that may be needed by participants who are beginning or continuing their educational journeys.

## Section II – Current Needs and Resources

Data from three sources was used to determine Plan components/activities:

- 1) Information about educational attainment, salaries, permit levels, and other work information from the applications of 2003-06 stipend applicants;
- 2) Results of the formal evaluation of the Investing in Early Educators Stipend Program completed in 2005 and reported in 2006.
- 3) Countywide Compensation Survey (2002)

In general the data from the evaluation report indicated that the stipends had acted as an incentive to continuing or engaging in higher education for most applicants. It also indicated that 93% of all stipend recipients continued to work in the field of child care and development, most with their original employers. Other data showed that the education levels of stipend applicants are: 21 percent with some college; 42 percent with Associate of Arts (A.A.) degrees; and 25 percent with Bachelor of Arts (B.A.) degrees. While these numbers suggest real progress in promoting higher educational attainment (fewer with only some college and more with BA degrees than in 2001) there remains a significant difference in the number of those with an A.A. and those with B.A. degrees.

The evaluation also indicated that a smaller percentage of applicants with only an assistant teacher permit actually earned the stipend. It appears that these non-recipients were most likely not to complete the coursework or to complete the paperwork used as verification. This group may need more assistance in moving through the process and accessing appropriate college level courses.

The results of the compensation survey indicated that turnover in CDE-funded programs is nine percent, per year, compared with 18-22 percent turnover in non-subsidized programs. The countywide compensation survey revealed that programs not holding a direct contract with CDE:

- Required lower academic standards of their staff (only 12 units for a teacher in a for-profit program, compared to 24 units in a publicly-funded program);
- Paid lower salaries and offered fewer benefits (average highest wage for a teacher in a for-profit program was \$13.70 per hour compared to \$17.35 per hour in a publicly-funded program); and
- Had higher teacher turnover rates (21% for for-profit programs, compared to 9% for publicly-funded programs).

Given these factors, there is a need to provide retention support and incentives for higher education to child development staff working in these centers and family child care homes serving children subsidized through a CDE-funded Alternative payment program.

The following Staff Retention Plan activities were determined based on the findings listed above:

1. Continue stipends for CDE-funded program staff and extend stipends to family child care providers and teaching staff serving a majority of children subsidized through a CDE-funded Alternative Payment agency and to Family Child Care providers in CDE-funded Family Child Care Home Education Networks for completion of three, six, or nine units of college-level coursework to promote advanced educational goals; provide extra assistance to new applicants, especially those who have no history of taking college level coursework. Continue the use of graduation stipends for BA degrees. *manage*
2. Provide training to program managers that will enhance skills needed to ~~manage~~ effective, quality programs and retain qualified staff.
3. Encourage continuing education among early childhood practitioners through individual education plans; promote the use of the Permit Matrix through the distribution of information and materials to applicants, Professional Growth Advisors, college instructors, and program managers; and promulgate the model compensation scale which considers position, education, and program responsibilities, and will contribute to improved compensation and retention of qualified staff.
4. Collaborate with local partners to broaden the resources devoted to early childhood workforce development in Los Angeles County.
5. Enhance access to appropriate college coursework and other supports through collaboration with Community Colleges.

**Section III – Priorities**

1. Teaching staff in CDE funded centers holding a valid Child Development Permit, or those who have not yet obtained a permit, and working at least 15 hours a week directly with children in a CDE-funded child development program who complete three, six, or nine units of college coursework will earn stipends.

2. Family Child Care Providers participating in Family Child Care Home Education Networks (FCHEN) funded by CDE, who complete a minimum of 3 units of college coursework will earn stipends. Applicants in this category will submit their applications through the FCHEN coordinator in order to have their status as Network providers verified.

3. Licensed Family Child Care Providers, their assistants, and teaching staff in programs serving a majority of children subsidized through a CDE-funded Alternative Payment agency at the time of application, who are working a minimum of 15 hours each week directly with children, and who complete a minimum of 3 units of college course work will earn a stipend. To verify that the participating Family Child Care Home or center is serving a majority of children subsidized by a CDE-funded Alternative Payment Agency, each applicant must attach a copy of the payment invoice or summary, or contracts provided by the Alternative Payment agency that reimburses the home provider/center for the care of subsidized children. These invoices or contracts list the children currently in care and being subsidized through CDE. The director or provider must also provide her current enrollment number so that Los Angeles County AB212 staff can calculate the percentage of subsidized children served at the time the stipend application is submitted.

Stipend amounts will range from \$1,000 to \$3,000 depending on the number of units completed. Actual stipend awards may be adjusted depending on the availability of funds and the number of applicants. Extra assistance will be provided to teaching staff and family child care providers who have not yet obtained a permit and who may need extra help in connecting with community colleges and selecting appropriate classes.

4. Those graduating with an BA, or MA degree within the stipend cycle will also receive a graduation stipend if the degree is in Child Development or a closely related field. This will provide a further incentive for those considering continuing toward a degree.

5. All child development staff participating in the stipend program, and those serving as Professional Growth Advisors, child development program managers, and college instructors will be eligible to receive a Child Development Career information packet. This will help to increase the pool of qualified applicants for teaching positions in CDE-funded centers. In addition applicants will complete an education goals plan as part of their participation in the stipend program. This will support appropriate education and training choices, particularly for the participants who do not have an extensive education track record. It will also assist those who have not had a coordinated plan to achieve their educational goals.

6. Child development staff in site supervisor, director, or other management positions will be invited to participate in management-training sessions. Training options may include use of Environment Rating Scales; Developing professional development plans for staff; and training in use of the Program Administration Scale.

7. The Investing in Early Educators program will collaborate with local Community Colleges to provide easily accessible and appropriate courses to ensure progress for those participants just beginning or continuing their educational journeys .

8. All child development staff and providers applying for a stipend will be included in evaluations and data collection.

**Section IV – Measurable Outcomes**

1. Approximately 1800 stipends will be paid to child development staff in CDE-funded programs, in FCHE Networks, and to staff and family child care providers in programs and homes serving a majority of children subsidized through a CDE-funded Alternative Payment agency. These child development staff will have earned at least three units of college credit to advance their educational goals;
2. Approximately 250 graduation stipends will be given to those earning BA or MA degrees in Child Development or closely related fields.
3. Up to 100 child development supervisory or management staff will receive training.
4. A report, which details the results of data collection and evaluation of the Investing in Early Educators stipend program, will be produced. The data collection, via a survey of stipend applicants, and subsequent analysis will examine the following questions,
  - a. Did stipends impact retention at CDE-funded sites?
  - b. Did stipends result in higher educational attainment?
  - c. Did stipends result in permanent, increased pay levels?
  - d. Did stipends result in an increase in permit applications and/or an increase in applications for permits at higher levels of competency?
5. Collaboration with other County entities (LAUP and First 5 LA) will result in a more comprehensive workforce development plan for Los Angeles County.
6. 50 more early childhood teaching staff and family child care providers will have obtained a child development permit.
7. Up to 3,000 Careers in Child Development information kits will be distributed to stipend applicants, Professional Growth Advisors, program managers and college instructors in order to promote continued education and lead to a more qualified workforce overall.

**Section V – Fiscal Plan****Part 1: Agency Information****Part 1: Agency Information**Name of Legal Entity: Los Angeles County Board of SupervisorsCounty of Service: Los Angeles Funding Allocation **\$4, 250,000****Part 2: Budget Information****Planned Expenditures:**Cost of Planning: **\$0.00**Administrative Cost: **\$637,500.00**Retention Activities: **\$3,612,500.00****Instructions for this section****Part 1:**

Legal Entity/Agency: Enter the name of the agency that is the legal entity for Local Planning contract.

County of Service: Enter the name of the county in which services are being provided.

Funding Allocation: Enter the amount for county being served as shown on attached funding allocation chart.

**Part 2:**

Cost of Planning: Enter the amount to be used for planning purposes. The amount shall not exceed 1% of total county funding allocation.

Administrative Cost: Enter the amount needed to cover non-retention activities expenses. This amount, together with any amount shown in "Cost of Planning," shall not exceed 15% of total county funding allocation.

Retention Activities: Enter the amount to be expended on retention activities.

Section	Information Requested
I. Introduction	In this section develop a brief and succinct description of the program you will provide through this contract in accordance with the guidelines included in this package.
II. Current Needs and Resources	Describe the current data about needs and resources obtained relative to this initiative, including but not limited to any data about staff turnover and retention rates, AND explain how awarded funds will be allocated in accordance with those data. The data provided must support the identified priorities in your plan.
III. Priorities	Identify and prioritize the types or categories of child care employees who will qualify for participation in this staff retention plan. The identified priorities must be supported by the data provided in Section II. Provide a brief explanation of how the plan addresses the identified needs.
IV. Measurable Outcomes	Describe measurable outcomes and how they will be used to assess and document the effectiveness of this funding award in retaining qualified child care employees.
V. Fiscal Plan	Complete per instructions provided with this section.

**Exhibit B**

**GUIDELINES FOR CHILD CARE  
SALARY/RETENTION INCENTIVE  
PROGRAM**

**CRET**

***June 1, 2006 – June 30, 2007***

**PROGRAM REQUIREMENTS FOR  
CHILD CARE  
SALARY/RETENTION INCENTIVE PROGRAM**

The intent of this contract award is to assist counties in improving the retention of qualified child care employees who work directly with children who receive state subsidized child care services.

Funding was made available in the current fiscal year and is to be expended 6/01/06 to 6/30/07 respectively. Future years funding is contingent upon appropriation and availability of funds. There is no guarantee. The allocation to each county will be adjusted annually based upon changes in the total amount of subsidized services in each county. Especially in terms of direct stipends to individuals, there should not be an expectation that a particular individual will receive funding from year to year, as such funding will be subject to the county's funding criteria and funding levels that are newly established each year.

The following program requirements are provided to assist the designated legal entity in meeting the legislative intent. Each contractor is required, as a condition of its contract with the California Department of Education (CDE), Child Development Division (CDD), to adhere to these requirements and California *Code of Regulations*, Title 5, pertaining to Child Development Programs, in addition to all other applicable laws and regulations. Any variance from these requirements, the applicable Title 5 regulations, laws and regulations could be considered a noncompliance issue and subject the contractor to possible termination of the contract.

**I. General Provisions**

**1. Notification of Address Change**

Contractors shall notify the CDD in writing of any change in mailing address for communication regarding the contract (administrative address) within ten (10) calendar days of the address change. For non-public agencies, the notification must be accompanied with (1) board minutes verifying the change in address and (2) a copy of the notification to the Internal Revenue Service of the address change.

Contractors shall notify the CDD in writing of any proposed change in operating facility address(es) at least thirty (30) calendar days in advance of the change unless such change is required by an emergency such as fire, flood or earthquake.

**2. Open Board Meetings**

Any private tax-exempt or private non-tax exempt agency receiving public funds under these regulations must, to the extent of the publicly funded program, comply with the Ralph M. Brown Open Meetings Act ("Brown Act"), Government Code Sections 54950-54963. Board meetings shall be open to the public except for meetings with its designated representatives prior to and during consultations and discussions with representatives of employee organizations regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of employees or to consider the appointment, employment, evaluation of performance or dismissal of an employee or to hear complaints or charges brought against an employee unless such employee requests an open meeting. Minutes of these open meetings shall be available to the public.

**3. Issuance and Use of Checks**

Except for external payroll services, private contractors shall not use any pre-signed, pre-authorized, or pre-stamped checks without the prior written approval of the CDD.



Private contractors shall require two (2) authorized signatures on all checks unless: (1) the contractor has a policy approved by its governing board requiring dual signatures only on checks above a specified dollar amount and (2) the annual audit verifies that appropriate internal controls are maintained.

4. Prohibition Against Loans and Advances

Contractors shall not loan contract funds to individuals, corporations, organizations, public agencies or private agencies. Contractors shall not advance unearned salary to employees. Contractors shall not make advance payments to subcontractors and shall compensate subcontractors after services are rendered or goods are received.

5. Materials Developed with Contract Funds

If the contractor receives income from materials developed with contract funds, the use of the income shall be restricted to the child development program. If the materials were developed in part with contract funds, the income from the sale of the materials that shall be used in the child development program shall be computed in direct proportion to the share of contract funds used in development of the materials.

Materials developed with contract funds shall contain an acknowledgement of the use of State funds in the development of materials and a disclaimer that the contents do not necessarily reflect the position or policy of the CDE.

6. Contractor's Termination for Convenience

A. General Termination for Convenience

A contractor may terminate the contract for any reason during the contract term. The contractor shall notify the CDD of its intent to terminate the contract at least ninety (90) calendar days prior to the date the contractor intends to terminate the contract.

Within fifteen (15) days from the date the contractor notifies the CDD of its intent to terminate the contract, the contractor shall submit: (1) a current inventory of equipment purchased in whole or in part with contract funds and (2) the names, addresses and telephone numbers of all participants served by the contract and all staff members funded by the contract. Family child care home contractors shall also submit the names, addresses and telephone numbers of all providers of subsidized services funded by the contract.

Upon receipt of a notice of intent to terminate, the CDD will transfer the program to another agency as soon as practicable.

The State shall only be obligated to compensate the contractor for net reimbursable program costs in accordance with this contract through the date of termination. There shall be no other compensation to the contractor. The State shall offset any monies the contractor owes the State against any monies the State owes under this contract.

B. Changes in Laws or Regulations

The CDD shall notify contractors in writing of changes in laws or regulations prior to the effective date or as soon as possible after enactment. If any laws or regulations are changed substantially during the contract period, the contractor shall have the option to discontinue performance and be relieved of all obligations for further performance.

The contractor has thirty (30) calendar days from receipt of notification of pending changes to notify the CDD in writing of the contractor's intent to terminate if the required changes are unacceptable to the contractor. The contract shall be deemed terminated sixty (60) calendar days after receipt of the notification of the intent to terminate.

7. Applicability of Corporations Code

Except for partnerships and sole proprietorships, private contractors shall be subject to all applicable sections of the Corporations Code including standards of conduct and management of the organization.

8. Conflicts of Interest

For any transaction to which the contractor is a party and the other party is: (a) an officer or employee of the contractor or of an organization having financial interest in the contractor; or (b) a partner or controlling stockholder or an organization having a financial interest in the contractor; or (c) a family member of a person having a financial interest in the contractor, the transaction(s) shall be fair and reasonable and conducted at arm's length.

Based on corporate law (*Corporations Code* sections 310, 5233-5234, 7233 and 9243 as applicable) the general rules that would be followed to ensure that transactions are conducted "at arm's length" include: (1) prior to consummating the transaction, the governing body should authorize or approve the transaction in good faith and the board should require the interested party, or parties, to make full disclosure to the board both in writing and during the board meeting where the transaction is being discussed and (2) all parties having a financial interest in the transaction should refrain from voting on the transaction and it should be so noted in the board minutes.

If the transaction involves the renting of property, either land or buildings, owned by affiliated organizations, officers or other key personnel of the contractor or their families, the board of directors shall request the interested party to obtain a "fair market rental estimate" from an independent appraiser. If the contractor has no board or is a sole proprietor, the requirement for a "fair market rental estimate" shall also apply. The contractor has the burden of supporting the reasonableness of rental costs. If the property is owned by the contractor, rental costs are not reimbursable and costs may be claimed only as depreciation or use allowance. Any transaction described in this paragraph shall be disclosed by the auditor in the notes to the financial statement in the annual audit.

Rental costs for equipment owned by affiliated organizations, officers or other key personnel of the contractor or their families are allowable only as use or depreciation allowance.

9. Equipment Inventory

Property records must be maintained that include a description of the equipment, serial number or other identification number, the source of the equipment, the acquisition date, the cost of the equipment, the location, use and condition of the equipment and any ultimate disposition date including date of disposal and sale price if applicable. A physical inventory of equipment must be taken at least every two years and reconciled with property records. A control system must be developed to ensure adequate safeguards to prevent loss, damage or theft (any loss damage or theft must be investigated) and adequate maintenance procedures must be developed to keep the equipment in good condition.

10. Americans with Disabilities Act

By signing this contract, the contractor assures the CDE that it shall comply with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101 et seq.) as well as all applicable federal and state laws and regulations, guidelines and interpretations issued thereto.

11. Air or Water Pollution Violations (*Government Code* Section 4477)

By signing this agreement, the contractor swears under penalty of perjury that the contractor is not: (1) in violation of any order or resolution not subject to review promulgated by the state Air Resources Board or an air pollution control district; (2) subject to a cease and desist order not subject to review issued pursuant to Section 13301 of the *Water Code* for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution. This provision does not apply to public agencies.

12. Recycled Paper Certification (*Public Contract Code* sections 10308.5 and 10354)

The contractor agrees to certify in writing to the CDE, under penalty of perjury, the minimum, if not exact, percentage of recycled content, both post consumer material and secondary material as defined in *Public Contract Code* sections 12161 and 12200, in materials, goods or supplies offered or products used in the performance of the contract, regardless of whether the product meets the required recycled product percentage as defined in sections 12161 and 12200. The contractor may certify that the product contains zero recycled content.

13. Child Support Compliance (*Public Contract Code* Section 7110)

By signing this agreement, the contractor acknowledges that (a) it recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement including, but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8 (commencing with Section 5200) of part 5 of Division 9 of the *Family Code*; and (b) to the best of its knowledge it is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

14. Unlawful Denial of Service (*Government Code* Section 11135)

- A. No person in the State of California shall, on the basis of ethnic group identification, national origin, religion, age, sex, color, or disability, be unlawfully denied full and equal access to the benefits of, or be unlawfully subjected to discrimination under, any program or activity that is conducted, operated, or administered by the state or by state agency, is funded directly by the state, or receives any financial assistance from the state.
- B. With respect to discrimination on the basis of disability, programs and activities subject to subdivision (a) shall meet the protections and prohibitions contained in Section 202 of the Americans with Disabilities act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof, except that if the laws of this state prescribe stronger protections and prohibitions, the programs and activities subject to subdivision (a) shall be subject to the stronger protections and prohibitions.

As used in this section, "disability" means any mental or physical disability as defined in *Government code* Section 12926.

15. Computer Software Copyright Compliance

By signing this agreement, the contractor certifies that it has appropriate systems and controls in place to ensure that state (General) funds will not be used in the performance of this contract for the acquisition, operation or maintenance of computer software in violation of copyright laws.

16. Priority Hiring Considerations (*Public Contract Code 10353*)

If the contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the contract to qualified recipients of aid under the *Welfare and Institutions Code* Section 11200.

17. Labor Code/Workers' Compensation (*Labor Code* Section 3700)

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement.

18. Corporate Qualifications to do Business in California

1. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
2. "Doing business" is defined in *Revenue and Tax Code* (R&TC) Section 23101 as actively engaging in any transaction for the purposes of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.
3. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

**II. Agency Responsibilities**

A. Role of Local Planning Councils (LPCs)

Each LPC should

- seek legal counsel to determine what safeguards need to be established to protect the public interest;
- address potential conflict of interest issues;
- collaborate with all other interested parties in its county in order to conduct *comprehensive* child care staff recruitment and retention planning;
- each county may develop a plan that identifies the uses of funds from a variety of sources (the Child Care Salary/Retention Incentive Funds, as well as funds from both local and State Children and Families Commissions (First 5) and other funds) to support the retention and recruitment of qualified child care employees throughout that county's early care and education programs (including both subsidized and non-subsidized services).

The LPCs may submit either type of plan: a comprehensive county plan that includes a variety of funding sources and initiatives, as long as the plan clearly and separately identifies the required information about the specific funds announced in this bulletin; or a county plan that is limited to the funds announced in this bulletin.

1. Use of Funds

- a. This funding is to supplement, not supplant existing efforts and investments to retain qualified child care staff at the local level.
- b. The contract funds must be allocated to retain qualified child care employees, who work directly with children who receive subsidized care, in State subsidized, center-based programs and family child care and education home networks.
- c. One percent of the total funding allocation may be used for planning purposes. This includes any costs related to developing the plan.
- d. Contractors may claim no more than 15 percent of actual costs incurred, including the one (1) percent expended on planning, for administration.
- e. Contracts will be issued to the legal entity that currently holds the LPC contract with CDE/CDD.
- f. Collaboration is encouraged.
- g. Memoranda of Understanding, sub-contracts, consortia agreements among multiple counties, and other formal and informal types of collaboration are allowed. In particular, counties that have received small allocations may wish to develop a multi-county regional plan that will allow them to maximize the impact and/or benefits of their allocations.
- h. Each plan must describe the current data about needs and resources available relative to this initiative in their county, including but not limited to data about staff turnover and retention rates, and then must explain how awarded funds will be allocated in accordance with those data.
- i. Each plan must identify and prioritize the types or categories of child care employees who will qualify for participation in this child care staff retention initiative.
- j. Each plan must describe measurable outcomes and how they will be used to assess and document the effectiveness of this funding award in retaining qualified child care employees.
- k. Staff retention activities funded by these dollars should be selected in such a way that they are not dependent upon ongoing funding.

Each LPC must be able to demonstrate that it has systems in place for assuring both fiscal and program accountability for these funds. This includes a fiscal system that conforms to accounting standards for state contracts, and a program documentation system that is able to demonstrate impact of these funds over time and report the measurable outcomes identified in the plan. If funding awards are made for a second year, LPCs will be asked to provide data regarding the effectiveness of their retention efforts.

## 1. Reimbursement Costs

Reimbursable costs must be incurred during the contract period. Contractors shall not use current year contract funds to pay prior or future year obligations.

Contracts and subcontracts shall be reimbursed for travel and per diem expenses at rates not exceeding those amounts paid to the CDE's represented employees computed in accordance with California Code of Regulations, Title 2, Subchapter 1, State Department of Personnel Administration (DPA).

Nonreimbursable costs will be determined in accordance with the 2006-07 Resource and Referral Funding Terms and Conditions, Section V.F., "Nonreimbursable Costs."

## 2. Reporting Requirements

Private agencies (including proprietary entities) that receive \$500,000 or more in total federal funds are required to have an Organization Wide Audit (OWA) performed in accordance with OMB Circular A-133 and the "Audit Guide for Audits of Child Development and Nutrition Programs" prepared by CDE's Audits and Investigations Division (AID). Governmental and other public agencies (excluding school districts, county office of education and community college districts) must comply with the requirements of OMB Circular A-128 and the CDE's "Audit Guide." All other agencies (excluding school districts, county offices or education and community colleges) must submit a contractor audit performed in accordance with the CDE's "Audit Guide."

Each LPC must submit yearly a CD-3021 Child Care Retention Program Report, which describes the distribution and uses of the funds in the prior calendar year (January 1, 2006 to December 31, 2006) and the number of individuals or entities who received a stipend or benefit. This report shall be submitted no later than February 10, 2007. The CD-3021 Reports shall be mailed to:

Child Development Division  
Attention: Linda M. Parfitt  
1430 N. Street, Suite 3410  
Sacramento, CA 95814

Expenditure of these funds shall be reported quarterly to Child Development Fiscal Services (CDFS) on Form CDFS 9529 with fiscal quarters ending September 30th, December 31st, March 31st and June 30th. The first report will be due July 20, 2006 for the period of June 1, 2006 to June 30, 2006. Quarterly reporting must be submitted for reimbursement of expenditures. Please complete and submit this form directly to your assigned fiscal analyst at:

California Department of Education  
Child Development Fiscal Services  
1430 N. Street, Suite 2213  
Sacramento, CA 95814

If there are questions regarding the appropriateness of a proposed expenditure or about the required county plans, should be directed to Linda Parfitt, Child Development Consultant, at (916) 322-1048, or by e-mail to [lparfitt@cde.ca.gov](mailto:lparfitt@cde.ca.gov)


# RESOLUTION

**This resolution must be adopted in order to certify the approval of the Governing Board to enter into this transaction with the California Department of Education for the purpose of providing child care and development services and to authorize the designated personnel to sign contract documents for Fiscal Year 2005/06.**

## RESOLUTION

BE IT RESOLVED that the Governing Board of County of Los Angeles  
Board of Supervisors \_\_\_\_\_

authorizes entering into local agreement number/s CRET-5017 and that the person/s who is/are listed below, is/are authorized to sign the transaction for the Governing Board.

<u>NAME</u>	<u>TITLE</u>	<u>SIGNATURE</u>
David E. Janssen	Chief Admin. Officer	

PASSED AND ADOPTED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2005/06, by the  
Governing Board of County of Los Angeles Board of Supervisors  
of Los Angeles \_\_\_\_\_ County, California.

I, \_\_\_\_\_, Clerk of the Governing Board of \_\_\_\_\_, of \_\_\_\_\_, County,

California, certify that the foregoing is a full, true and correct copy of a resolution adopted by the said Board at a \_\_\_\_\_ meeting thereof held at a regular public place of meeting and the resolution is on file in the office of said Board.

(Clerk's signature)

(Date)